

## FRACTIONAL CURRENCY COLLECTORS BOARD

**Winter 2017****Passing the Baton...**

As your new servant I would like to extend my personal greetings to all. However, before I introduce myself I want to offer a sincere word of thanks to our outgoing President Rob Kravitz. It is difficult to measure Rob's many contributions, as he has been a long time member, dinner organizer, friend, advisor, fount of information and all around good guy and our FCCB President for the past 4 years. We have enjoyed congregating around Rob's table at Memphis and other shows, purchasing and selling Fractional notes and sharing his fellowship has always made the Memphis show that much better. Who else at the show would invite you to join him for a Shake-n-Steak sandwich! Now, however, the pressure of business and other obligations have reduced his ability to carry on as President. So we extend our sincere thanks to Rob for his leadership of our organization.

If you have attended the Memphis show, you've probably met me. If not, I'll give you a quick bio. I am a retired police officer and I fell in love with Fractionals in 1985. I've been to most Memphis shows since then. Also, as a part of my retirement job, I do the price guide for Bank Note Reporter and write a short column on my impressions of the market. I am FCCB member number 073 so I've been in the club for about 30 years. My Email address is [billbrandimore@charter.net](mailto:billbrandimore@charter.net) I enjoy talking and collecting, so feel free to email me if the spirit moves you.

With regard to my view of the paper money market, I believe we have turned a corner. The FUN show Heritage auctions were encouraging and I think this will be a good year for numismatics in general. Because we Fractional collectors are so fussy, prices for lightly circulated notes are great for new collectors. Putting together a Type set is the way most of us started and you should not be ashamed of a nice circulated Justice note with decent margins.

Specimen notes with the exception of just 2 or 3 notes are very affordable in new condition. The Grant Sherman notes seem good bargains at this time, and considering that only 9000 were printed, that is amazing to me. If you are a newer member you should make sure you get a copy of Rob Kravitz's book on Fractionals. I have also enjoyed perusing the Hessler/Chambliss Comprehensive Catalog of U.S. Paper Money. They include a lot of information on past sales, and good background material in general.

I'm undecided about the Kansas City show at this time. I'd like to get there, but am currently out of travel partners, as I no longer drive and I prefer driving to flying. We'll talk more about that in the next issue.

Sincerely,

*Bill Brandimore*

New FCCB President and bottle washer.

FCCB Newsletter  
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# 2017 FUN SHOW AUCTION RESULTS

By

*Rick Melamed*

In December when I received my Heritage Currency auction catalog for the January 2017 FUN show I was impressed by its massive size. One of the larger auction catalogues ever assembled. The January FUN show has garnered the reputation as being the pre-eminent show in the US. It's the show where collectors save their money to make their big buys, where sellers consign their big collections and where dealers shop to replenish their inventory. But even as FUN Shows go...this catalogue was off the charts on the amount of available material.

Between the live and internet auctions, there were 285 lots of fractionals. While this sale lacked the show-stopper rarity of an Fr.1255a or Fr.1352, Heritage had a healthy quantity of lots with something for everyone. Hats off to Heritage who did their usual A+ job cataloguing and running the auction with their outstanding professionalism. Personally, I am not enamored with the 17½% buyers fee, on the surface it seems too much; but when one considers what you get in return (quality catalogues, solid pricing, terrific on line bidding experience, great auction archives, etc.) the fee can be justified (but please resist the temptation to stretch it to 20%!!). For us fractional enthusiasts, Heritage is the clear leader in that category among the auction houses.

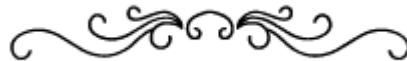
Prices overall were solid. However, there were some soft spots such as pricing on Justice and Spinner notes which were more subdued than in past years. Same thing with Grant Sherman notes which have definitely softened in price owing to a plethora of examples showing up at auctions over the last couple of years. On the other hand, first issue postage notes, especially with strong perforations, have done incredibly well with large gains in value. Uncut sheets and superb gem graded notes (67/68) continue to perform well too.

With so many lots to choose from, it's hard to know where to begin. But here goes:

- A PCGS-66 uncut sheet of 1<sup>st</sup> issue 5¢ Fr.1230 's sold for a strong price of \$4,582.50. A similar sheet in PCGS-58 hammered for \$1,880.00.
- A PCGS-65 uncut sheet of 1<sup>st</sup> issue 10¢ Fr.1242 's sold for a great price of \$5,287.50.
- A pair PMG-66 1<sup>st</sup> issue 25¢ Fr.1279's with perforations sold for \$1,762.50 and \$1,527.50 respectively. An Fr.1280 version without the monogram went for \$2,585.00.
- A PMG 67 uncut sheet 1<sup>st</sup> issue 25¢ Fr.1281 went for \$6,462.50.
- Here are some more examples of strong results for perforated postage notes. A 50¢ Fr.1310 in PCGS-65 sold of \$998.75. An uncut pair of Fr.1311's in PMG-58 sold for \$2,115.00.
- An Fr.1310a 1<sup>st</sup> issue 50¢ with the extra perfs and large bottom selvedge in a PCGS-55 sold for \$3,290.00.
- Fr.1248's, 2nd issue fractional with the elusive "0-63" have really performed well lately. A modestly graded PCGS-30 went for \$998.75. Same thing with 2nd issue notes with Treasury Rectangles. An Fr.1283 example in PCGS-58 sold for \$1,057.50. 30%-40% higher than a few years ago.
- A 3<sup>rd</sup> issue 3¢ Fr.1226 in an extraordinary grade of PCGS-68 sold for \$3,995.00.

- An Fr.1294 Fessenden in a superb gem PCGS-68 holder sold for \$1,880.00.
- The Fr.1296 Fessenden with the misplaced sheet indicator 'a' in PCGS-65 sold for \$5,405.00.
- There were quite a few examples of fractional with inverted surcharges and inverted reverses. Prices have held strong on these. An Fr.1298 (Milton 3R25.4b) in PMG-55 sold for \$1,527.50.
- An Fr.1330 Spinner in PCGS-64 hammered for \$4,230.00. These have been as high as \$6,000 in the past.
- A unique (not in Ford or O'Mara's auction) Fr.1333 in PCGS-45 with inverted back engraving (Milton 3R50.19r) sold for \$2,820.00.
- A pair of '1-a' Justice notes, Fr.1344, in 63 and 58 grade sold for \$1,762.50 and \$1,233.75 respectively.
- A gem fiber Justice, Fr.1373, in PCGS-66 sold for a strong price of \$4,465.00.
- A 4<sup>th</sup> issue 10¢ Fr.1259 in PMG-67 went for \$1,880.00, while a pair in 66 grades example went for considerably less...\$587.50 and \$705.00. What a difference 1 grading point can make.
- An Fr.1264, green seal Meredith, in PMG-68 sold for a record price of \$2,352.35. It is unique in this grade, 67 graded examples have sold previously for around \$1,000.00.
- An Fr.1381 Crawford note in PMG-67 fetched \$1,527.50.
- Grey fractional shields still do very well. They sold for \$4,230.00 and \$3,055.00.

It is always worth analyzing the prices realized to understand market trends. Certainly they are the best indicator on what certain notes are worth. Anyway, another FUN show has come and gone.



## Exhibitor Registration for Kansas City Open!

After 40 years in Memphis the International Paper Money Show is moving to Kansas City, MO! The show will be held at the Sheraton Crown Center Friday and Saturday, June 9<sup>th</sup> & 10<sup>th</sup>. This is your opportunity to get in on the ground floor as a part of a new tradition! It is also your opportunity to share an aspect of postage/fractional currency that interests you with other collectors. It's also an opportunity to use your enthusiasm to recruit others into the field of postage/fractional currency.

This year's exhibit space will be limited and can only accommodate a maximum of 120 exhibit cases. Enclosed with your newsletter is the exhibitor registration form. So be sure to draft your theme soon, estimate how many cases you'll need and get your exhibitor registration submitted as soon as you can! Let's work together and have a strong showing of the history and examples of material from our slice of the numismatic hobby!

For additional information on this year's IPMS show, see:

<http://www.ipmskansascity.com/>

## Member's Trading Post

Looking for Graphics of Satirical Notes and other Rare Fractional Items for Historical Digital Collection Effort.  Jerry Fochtman <a href="mailto:jerry@fochtman.us">jerry@fochtman.us</a>	Researcher/Collector interested in ALL fractionals with inverted or mirrored plate numbers. If you have one (for sale or research) please e-mail <a href="mailto:riconio@yahoo.com">riconio@yahoo.com</a> or call 818/591-2326. Thanks – Rick Melamed.	Want lists serviced and auction representation with over 40 years of Fractional experience  Mike Marchioni <a href="mailto:Marchion@ETSU.EDU">Marchion@ETSU.EDU</a> 423/439-5362
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Current FCCB Members are welcome to submit requests for the Trading Post!

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## Annual Membership Renewal Now Due!

Low and behold, it's that time again! To everyone that holds an annual membership it's time again to send-in your dues to renew your membership. You'll know this because there will be a colorful 'Membership Fee Due' sticker on your mailing envelope. Also, your mailing label will indicate 2016 as the year your membership expires.

FCCB Membership is certainly a bargain at the low, low rate of \$15! So before you forget, take a moment and place the enclosed, pre-addressed envelope in that same stack with your other bills so when you sit down to pay your electric, water and other notices you'll also write your \$15 check to renew your membership! If you lose the envelope, simply send your annual \$15 membership fee to our club treasurer:

David Stitely, Treasurer  
2080 N. Ridley Creek Rd.  
Media, PA 19063

Better yet! Consider becoming a Life Member for the low rate of \$200! We will accept this in installments so long as it's completely paid-off before the end of 2017. This makes it a bit easier to upgrade your membership and then never having to be bothered again by this annual ritual!

If you're already a Life Member, or your dues did not expire in 2016 you will not receive a dues envelope nor will there be a special sticker added to your mailing envelope.

# Fractional Ephemera and Other Oddities

By

*Jerry K. Deutsch*

One of the satisfying aspects of our hobby is the expectation that a continuous array of previously unknown material will pop up, somewhat sooner than later. Often overlooked by the casual collector, some of these items can become, in time, collection standouts. Many fractional purists dismiss outright, any notes or ephemera which do not conform to the known universe of BEP produced material. Skeptics proclaim strange or illogical pieces are faked, doctored, manufactured, or otherwise unauthorized by the Treasury Dept. Only grudgingly do they concede that some legitimate unreported items could still remain.



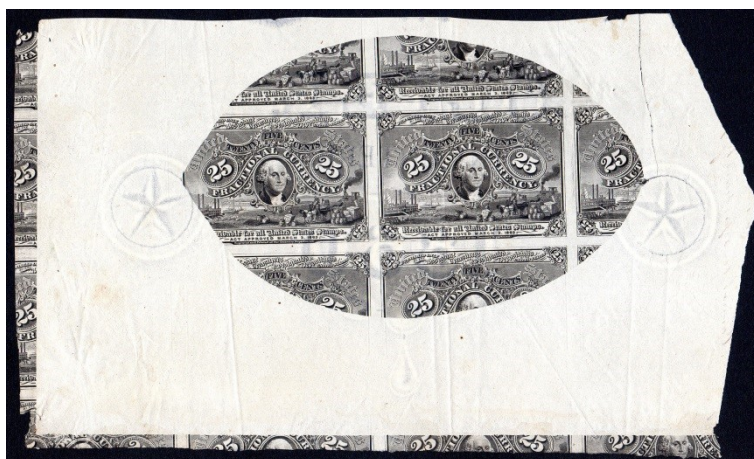
Levicks Milt 2E10R3 Dyed Pink

There is no question that fakes exist. Charletons and montebanks lived in the Civil War era, and later, as they do now. Attributions to N.T. Levick (Milt.2E10R.3) and Harlan P. Smith (Fr.1310a) come to mind. Yet collecting quirky, mysterious and even bizarre notes and ephemera, including satiricals, has become a genre all to itself!



## Why So Much Confidence That New Material Exists?

The amount of fractional material produced by the Treasury Department was no less than prolific, and for good reason. If one considers the dynamics of postage currency's interrelationship with the U.S. Postal System, it's understandable why constant improvements were needed to meet the challenges of commerce while warding off counterfeiters. The BEP became a veritable laboratory for experiments. Add to the mix Spencer Clark, who was nothing if not a rogue in the department, placed in charge of currency engraving and printing. It would be an understatement to say that Clark, by 1863, had developed a penchant for adventurous creations. Many FCCB members own some of Clark's more whimsical and zany oeuvre, including the unique Second Issue Block of 25c notes on olier paper (The Football) and







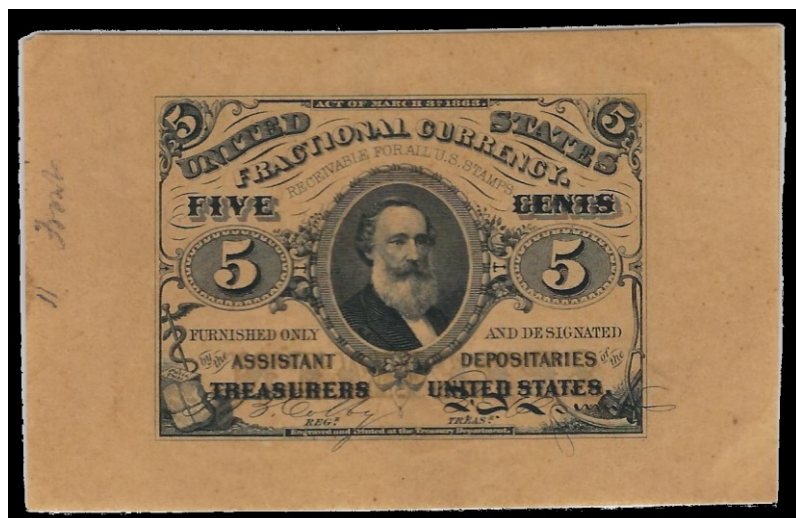
the outlandish Milt. 2E50FR.8 on wallpaper, of all things!

Clark's fascination with paper, color and all the possibilities associated therewith, set the stage for a near endless carrousel of notes and ephemera, some seemingly farcical. To his credit, he did seek a balance between printing attractive, durable notes, lowering costs, and developing cutting edge anti-counterfeiting properties. Hence we now have a plethora of one offs, trials, errors, even new varieties, which thankfully for collectors, avoided that sad voyage to the infamous "Island of Misfit Notes".

I encourage collectors and dealers alike to embrace these often passed over gems for what they are, not how they came to be. Shakespeare said it best: "There are more things in heaven and earth, Horatio, than are dreamt of in your philosophy".

Several highly collectible notes and ephemera are provided here for your enjoyment:

This Fr. 1236 5c SPWMF was purchased on eBay from a German collector. It is printed on tan CSA paper known to have been produced in England for the Confederacy. Was this a Spencer trial?



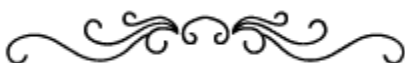
Here we have a Fourth Issue 10c note with no seal. It is printed on watermarked paper as a Fr.1257 would be, but there are no pink fibers. The front looks identical to a Milt.4E10F.2a essay. However the back is printed in green as a regular issue note would be. The note is crisp, and there simply is no seal, shadow, or hint of chemical removal. It's not supposed to exist, but here it is! It too was purchased on eBay, sadly without provenance.



This ca 1863 millinery's retail token is notable for the fact that it was redeemable for postage currency. It's very rare and unusual, but also suggestive of a coordinated effort to spur usage of postal currency in commerce. Was this token issued by agreement with the Treasury Dept. to stimulate trade?



Finally, here are two collectible satiricals. According to Heritage Auctions catalog data, the heyday for fractional satiricals was 1880-1910. These two inexpensive notes combine imagination with artistic savvy with the use of rich color and design on the one note, and a paper scrape-off technique on the other.



# New Seal Plate Number Discovered!

By

*Rick Melamed*

For those who follow my continued hunt for 4<sup>th</sup> issue seal plate number notes, I am overjoyed that a new number has recently made it to the census. On a daily basis I troll the internet for examples. Over the last year there have been a sum total of zero new seal plate number notes added to the 4<sup>th</sup> issue census (all denominations). Well the drought has lifted. With the unearthing of seal plate #7 on an Fr.1257, we've added a significant entry to the 10¢ chart. A bonus is that it is a single digit and a full seal plate number. Obviously the #7 was out there, but finding it was certainly a challenge!



Here is an updated list of all the known 4<sup>th</sup> issue 10¢ seal plate numbers.

FR1257-1261 - 4th Issue 10¢	
Observed seal plate number examples:	
#1 - Regular	#22 - Regular
#2 - Regular	#23 - Regular
#3 - Regular	#24 - Regular
#4 - Regular and Inverted	#25 - Regular
#5 - Regular and Inverted	#26 - Regular
#6 - Regular	#27 - Regular
#7 - Regular	#28 - Regular
#8 - Regular	#29 - Regular
#9 - Regular	#30 - Regular and inverted
#10 - Regular	#31 - Regular
#11 - Regular	#32 - Inverted
#12 - Regular	#33 - Inverted
#13 - Regular	#34 - Inverted
#14 - Regular	#35 - Regular
#15 - Regular	#36 - Suspected but not observed
#16 - Regular	#37 - Suspected but not observed
#17 - Regular and Inverted	#38 - Suspected but not observed
#18 - Regular and Inverted	#39 - Suspected but not observed
#19 - Suspected but not observed	#40 - Suspected but not observed
#20 - Regular and Inverted	#41 - Regular
#21 - Regular and Inverted	

From the chart, only seal plate #19 is missing from the first 35 numbers. If anyone in the club knows of its existence or any other seal plate number examples, please email me at [riconio@yahoo.com](mailto:riconio@yahoo.com).





# Fractional Currency Wallets

By

*Rick Melamed*

One of the more interesting aspects of collecting and researching Fractional and Postage currency is applying a contextual reference. Fractional and Postage currency have so much significance beyond the superficial meaning they evoke in the 21<sup>st</sup> century. They represented a major upheaval in American life; at the time of their issue our nation was faced with a very uncertain future. In the early 1860's the economy was in terrible shape. Many banks failed, and bank issued notes were worthless. Consequently precious metals were hoarded, which out of necessity led the way to Postage and Fractional notes. No matter how grim things were, commerce still had to take place and merchants still had to make change.

Imagine living in 1863; you pay for your necessities with a hard earned \$5 gold coin...and in return the change you received was in the form of paper money issued by the US Treasury. Due to their overall scarcity, precious metal coins had been replaced with paper currency with no intrinsic value. With the recent memory of those now worthless banknotes issued by the local and now defunct banks, the average American must've felt powerless and none too happy. So they take a deep breath and sigh and accept what the government gives them and think to themselves, "It's a terrible new world now, Americans fighting other Americans on Civil War battlefields – money and banking are totally upended." Many Americans must have believed that the country would not survive. Undeterred, that 19<sup>th</sup> century citizen steps outside and finds, the sun is still shining, they love their kids and they still have good food to eat. A lesson for us all.

When projecting oneself into the past, it is intriguing to ponder the daily life of an average citizen. They were probably angry and frustrated because they received change in the form of fractional currency instead of the gold, silver and copper coins they were used to. So now imagine going into a general store to purchase some goods and getting these funny little notes in change. Necessity being the mother of invention, folks in the 19<sup>th</sup> century had to create a place to put those sub-\$1 notes. The result was the creation of Fractional wallets. Research shows the ingenuity and creativity of our ancestors was remarkable. Then as now, humans are adaptable creatures and adjust to their environment as required. It wasn't long before a myriad of fractional wallets came into existence. They are rare and quite fragile; most being made out of leather or cardboard. From this one tiny perspective, an interesting subgroup of Fractional collecting has been formed.

## **FRACTIONAL WALLETS FROM STACK'S JOHN FORD SALE**

Shown is a pair of tri-folding wallets with "POSTAL CURRENCY" imprinted on the front. The interior folds with four Union generals shown, one to a fold: Daniel Butterfield, David Hunter, Michael Corcoran, and un-named general. They contain the frequently found crossbands to hold the notes in place.



Another neat example from the Ford sale is this simple fractional wallet. On the left side is a calendar form 1863, on the right side is a pocket for notes.





Some merchants used this opportunity to advertise their businesses. The light blue cardboard wallet from merchant **Ira Perego & Sons** was an advertisement for men's clothing and furnishings (with their NYC location). The advertising is on the outside, the inside contains crossbands with an Fr.1226 3¢ fractional. This must have been a favorite of John Ford.

The black leather wallet shown to the right was another advertising promotional item. The outside is embossed in gold by "Burnett's Standard Flavoring Extract" with the phrase "COMPLIMENTS/JOSEPH BURNETT & CO." below. The inside is a yellow/tan lining with a thin leather strap to hold the notes in place. It's overall condition is excellent considering the age. A lovely piece of ephemera that gives a glimpse into the past.





The brown leather wallet with the cardinal red interior is a striking piece. It is a tri-fold wallet with a strap in the center section. The interior has 3 dividers and a large compartment for the notes. While not shown the dividers are imprinted in gold for 10, 15, 25, and 50 cent denominations...making this a wallet for 4th issue Fractionals.



The tri-fold wallet made of faux leather and is fairly non-descript on the exterior. The interior is really interesting however. It contains white dividers marked '10', '25', '50' imprinted in red (Stack's dates the following wallet from the late 1860's, but the denominations hint to the 1870's - 5<sup>th</sup> issue).



This is pretty much as cool as it gets. The ad is for **Hammerslough Brothers Clothing** in Springfield, Illinois. They claim to have carried a "Complete Assortment" of military goods (at the most reasonable prices). It is made of yellow cardboard. The 50¢ 1<sup>st</sup> issue back is a great fractional lookalike. The interior contains the frequently seen crossbands with additional advertising.



....To Be Continued in our next issue





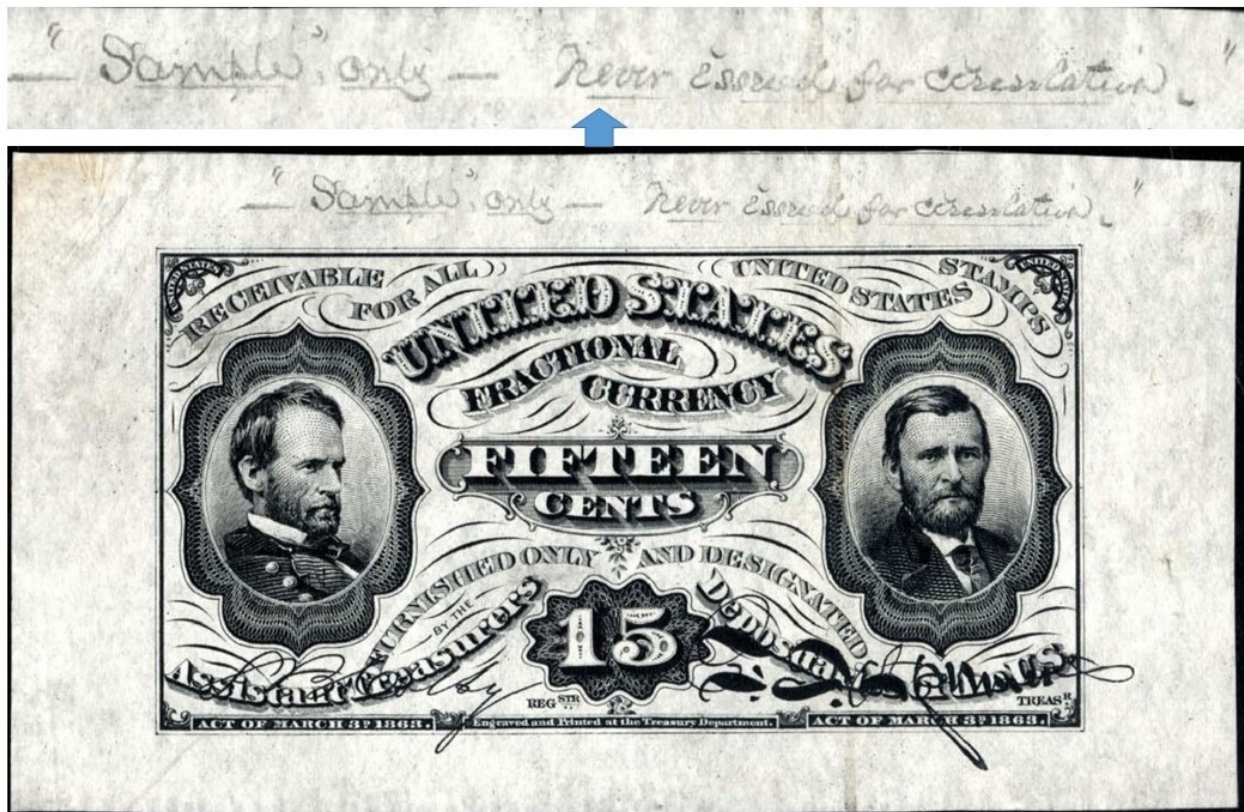
# Sample only - Never Issued for Circulation

By

*Rick Melamed*

Sometimes what is written on the note can be as interesting as the note itself. We've seen hand written additions by the general public on fractional notes in the past: people's names, Valentine numbers, courtesy autographs, dates, etc. From a recent Lyn Knight Auction is a wide margin Grant Sherman with the following note, written in pencil, on top:

"Sample only - Never issued for circulation."



Factually correct, the unknown writer states what we already know. That Grant-Sherman notes were specimens only and were never issued as legal tender. A charming artifact that survived to the 21<sup>st</sup> century. Glad no one took an eraser to the notation!

These are fairly common and we encourage the FCCB readers to share any other examples with hand written notations. Thanks to Lyn Knight for this scan.

